

February 7, 2003

***CITIZENS' TASK FORCE ON CHARGERS ISSUES***  
**MINUTES for meeting of**  
**January 30, 2003**

**Meeting held at:**

**La Jolla Recreation Center  
615 Prospect Street**

**Mailing address is:**

**City of San Diego  
Special Projects Administration  
1010 Second Ave, Suite 500, MS 658  
San Diego, CA 92101**

**ATTENDANCE:**

**Members Present**

David Watson  
Nikki Clay  
Cassandra Clady  
Pepper Coffey  
Tom Fat  
Bruce Henderson  
Karen Heumann  
Bill Largent  
Joe Martinez  
Geoff Patnoe  
Ron Saathoff  
Jeff Smith  
Tim Considine

**Members Absent**

Len Simon  
Patti Roscoe

**Staff Present**

Libby Coalson  
Les Girard  
Bruce Herring  
Dan Barrett  
John Mullen

**CALL TO ORDER**

**Item 1:** Citizens' Task Force on Chargers Issues Meeting called to order.

**Item 2:** Roll Call – Libby Coalson

**AGENDA ITEMS**

**Item 3:** Task Force minutes of January 16, 2003 approved unanimously.

**Item 4:** Chair comments – We are meeting in La Jolla tonight, this will be the last meeting in the community before we begin meeting in the Council Chambers for the remainder of Task Force meetings and the Council Committee Room for the February 8<sup>th</sup> workshop.

**Item 5:** Task Force comments -

Clay – thanks to the planning groups for their help. Many of the speakers tonight were heard first at the Facilities & Redevelopment Committee. Thank you to all for the valuable information.

Henderson – two issues of concern from the Facilities & Redevelopment meeting last week. The Chargers acknowledged they had overestimated the revenues to the City and have revised them. If something goes onto the ballot, he wants to encourage that it is County-wide. Second, a second task force could be established because addressing everything would take a long time. There has been quite an independent review regardless of whether we come to a conclusion by the end of February. Finally, people have asked why the City hasn't reviewed the trigger numbers. He suggests that before the report is prepared, this issue needs to be addressed.

Coffey – not sure it is up to the Task Force to tell the City attorney when to review the documents regarding the trigger. Super Bowl – she doesn't watch pro sports, but is always affected by it given that everyone else is interested. The week before the Super Bowl, checked stuff out and participated, then watched the shows to see how much they talked about San Diego. She can't think of another way to get the amount of advertising for the City that we got from the Super Bowl.

Saathoff – wants to ensure people that County participation is not being left out of the review. The Finance Committee was tasked with including the County in the review of possibilities. This will be part of the Finance Committee's report.

#### Item 6 – Public comment

Don Schmidt – was disturbed by Steele's concept of building a village on a flood plain. He doesn't get the idea of a development without parking – the trolley isn't the answer, having an apartment over a Starbucks is not the American dream. Doesn't understand why this is part of the plan.

Pete Daggett – Congratulations to Tampa Bay. There is way too much going on. Has a bias toward keeping the Chargers. Tax revenues are a community benefit, and the monies go to other things. Doesn't really use the parks or libraries, but still thinks it is worthwhile to pay for them. He would like others to be tolerant of contributing to the Chargers, even if they don't go to games. Having a football team here is beneficial – brings fans from other places which brings revenue. Others from out of town identify San Diego with the Chargers. He doesn't understand the ticket guarantee. If he is reading it right, there is a net positive cash flow so it shouldn't be misrepresented.

Ken Ewing – on behalf of the County, would like to share his opinion – he is from Del Mar. Others need to have their voices heard – there would be a unanimous "yes". Just having a vote in the City limits is not enough – the County needs to have a say. After seeing the Chargers come through with a good faith effort, thinks we need to keep them here. Our facility is now antiquated. Other smaller cities have developed new stadiums. Since the Clippers left, the Sports Arena hasn't done much except minor league sports. Looking at Phoenix, which is comparable, they have four major teams and we have two, and doesn't want to see it turn into just one.

Walt Hall – La Jolla Town Council. Communication stinks.

Terry Figueroa – lives in El Cajon. Was born in San Diego, and thinks we do think in a backwards sense. Need to see what the economic feasibility of the stadium would be with a new stadium. Maybe a new sports arena and could redevelop the sports arena site. Maybe could wrap two packages into one.

Mike Aguirre – Super Bowl shows what we are capable of doing. Each of us is important to the success of each other. The Task Force is representing the people so we need to rise above our personal interests. He recently got a document from the Mayor's office from the Golding administration – called the City of San Diego communication plan between Chargers and City. This document is from the 1997 renovation and

references the renovation and the state-of-the-art practice field, the innovative revenue formula to stabilize the team revenues and generate higher rent to the City, and indicates that instead of a \$300m new stadium we have a Super Bowl ready stadium for under \$80m. Everything the Task Force is being told about a new stadium is the same as we were already told about the 1997 renovation. If we build a new stadium like the Chargers have proposed, it won't solve the problem. There is not enough income to compete with the LA market, San Diego is smaller. Disagree that we shouldn't be looking at the trigger information; it is the first thing to look at.

Bert Decker – from Pt. Loma. The City was given the entire NTC, but gave it away. How much property tax has been collected from NTC? None. Gave it away and then built over the 30-foot height limit. Wants to know how much money was made on the Super Bowl – it should have been a tremendous amount of money. The City has lost \$31m on the Chargers. What about the rest of the stuff? The City is not able to run it.

Matt Meek – very few people are here from La Jolla. What are the priorities of this City? The City is facing a deficit and having to cut back on police, fire, libraries, and then we are here talking about a new stadium.

Tom Mulaney – reasons why the Chargers proposal isn't good for residents of the City.

- 1) flood plain – special flood hazard area, dangerous for people and costly for property
- 2) Mission Valley – not fair to add 3,000 more units with the traffic
- 3) Selling 166 acres is not a good idea – we will never get it back
- 4) Cost to provide parks – we've been told we need more parks, and if don't use this site, will have to find other land that will be more expensive
- 5) Expensive to put infrastructure in
- 6) Expensive for operations and maintenance. The cost of the development won't be \$123m, it will be more due to the cost of infrastructure. If want a stadium, write a check, don't try to say that it can be done for free.

Jarvis Ross - After listening to the attorneys, is glad he studied logic. The Task Force shouldn't have forwarded either of the two motions to the City Council. It would have been better for the Chargers to trigger so this could be finished. Wishes the County could vote on it and pay for it, leave the City out of the loop. Why doesn't the NFL give the \$100m to the City? The City could keep the naming rights and the land sale revenue.

John McNab – If take a look at the whole process, this is not coming out of the blue. This is part of a pattern of giving away funds. Have forums so can say that the public had their say. Biggest challenge in San Diego is the “poor me” attitude. San Diego has more doctorates per capita, has great assets, very desirable. We have lost our sense of purpose. Leaders used to say what we are and where we are going, but now they just say “poor me”. If we could get back to that, all teams would want to be here. Leaders of City have lost their purpose, vision, and sense of future.

Scott McLachlan – commenting on Ms. Roscoe's comments of last week. She had said that in Dr. Ron Utt's presentation, he said that sports are the cause of crime and non-vaccinated babies. She was misquoting what he said. He said that politicians make the decisions that cause that problem. She said she wants to hear from those other than doom and gloomers – he is providing his input and not a doom and gloomer. Is trying to provide his input so everything gets done right the first time. Is mad that he is lumped into the doom and gloom category.

Item 7:

A: Rick Bay – SDSU – *see his presentation on the web*

In summary – Qualcomm is far from ideal, but it is adequate for SDSU to retain Division 1A status. The most frightening scenario for SDSU would be for City and Chargers to fail to reach an agreement and for the Chargers to leave town – he wonders if the City would continue to maintain Qualcomm without an NFL team. SDSU would likely drop the sport without the stadium. SDSU would be relegated to a Division 1 basketball-only university.

Q&A –

Patnoe – how much does SDSU pay the City for rent at Qualcomm? *\$40,000 per game, higher if the percentage of revenue warrants it. SDSU plays an average of 6 games per season.*

Henderson – Mr. Bay expressed concern that Qualcomm would be demolished if the Chargers left town. Thinks there are other uses such as soccer meets, etc. Has Bay heard anything that leads him to be concerned? *No, he does not have any inside information. It just worries him. The stadium would be an important community facility even if Chargers are gone.*

Clady – have you thought of other sites where SDSU could maintain Division 1A status? *Informally, but has yet to find anyone that could identify a footprint of 80-90 acres to allow for adequate parking. There are not many new stadiums in college football. University of Louisville, Connecticut has one - the state gave the university the land. Footprint is about 90 acres. If Chargers left, Qualcomm is do-able for the Aztecs? Yes*

Heumann – what is different about the Pittsburgh model and couldn't SDSU negotiate something to incorporate the advertising revenue streams into the stadium? *Given the current lease structure, all signage revenue goes to the Padres and the suites go to the Chargers. Aztecs have never shared in revenue in a meaningful way. Can put temporary signs up, but that doesn't generate much revenue. In Pittsburgh, the Steelers put in a portion of the funding and the state did the rest. Problems have to do with the lease terms not the stadium itself in regard to the signage? Correct. Renegotiation of the lease is what would make it better for SDSU in regard to the advertising? Yes*

Fat – Chargers proposed that they would operate the stadium and would imagine that it would include negotiating with SDSU to keep them in the loop, and treat them fairly. Can he comment on the Chargers perception of how it would be run and how the Chargers and SDSU would interact? *Hasn't talked in great detail with the Chargers. The Pittsburgh model allows for the university to sell the suites and keep advertising revenue when they play. NFL team gets the naming rights and the major advertising on the scoreboard – they put more funding in initially. There is a padding system around the circumference of the inside of the facility. The padding can be swapped out and there are pads with logos for the university and logos for the Steelers. Would hope SDSU could get the opportunity to work with the Chargers and work out all the details.*

B: MTDB – *see presentation*

Opening of the Mission Valley east line will increase the capacity.

NFL reminds MTDB that the San Diego best venue and facility for the rail capacity that we have with our trolley. BART in Oakland is the next best.

C: Stadium Advisory Board – Doug Barnhart, Bill Wilson – one of the main problems at Qualcomm is that the stadium was originally built small. *See Barnhart's presentation.*

We received rave reviews about the Super Bowl held at Qualcomm Stadium last weekend. The stadium is old and a lot is required to keep it going - it is difficult and not cost effective. It works, but is not state of the art. Plumbing is insufficient and was built for a 45,000 seat stadium.

D: Traffic – *see presentation*

In a regional context, Mission Valley has access from 5 freeways – 5, 805, 15, 8, and 163. It is a destination and pass-through for regional destinations. The corridor is constrained – it is long and linear.

The most recent traffic counts for Mission Valley are from 1997 and 1999, which was before the IKEA and other residential developments were built. The area is mixed-use with industrial, commercial and residential, all of which generate trips. There is heavy plan density in the area, intentional since have the trolley.

In 1997, the average daily traffic volumes on Friars Rd varied from 11,500 at the west end to 59,000 at the I-15 interchange. Near Qualcomm there are 32,000 average daily trips. The computer modeling for the area is not up to date. There is not a computer model operating for Mission Valley so we can't provide the modeling requested. With traffic volumes of 1997 and 1999 – some segments are considered congested. Several intersections are as well, and there are likely to be more of those.

Mission Valley is the heart of the region and as such has good public transit, which will be better when the eat trolley line opens. There are 275,000 daily work trips passing through the Mission Valley corridor. With the completion of the Mission Valley east, 3.6% of the mode share of pass through trips will be carried on that line, which is double the current amount. The benefit of the stations within the community will be higher than that.

Traffic generation numbers for land uses – 41,000 average daily trips experienced now and this does not include the stadium as a stadium event. Don't normally think of average daily case to be inclusive of a stadium event. 1,000 trips per day for the employees.

The 41,000 could decrease if in a mixed-use development with walking between locations. Plus, the mode share would be up.

In 1999, traffic was bad and is worse now, and may get better with the new line.

E: Chris Gonaver – (*get presentation slides*)

Here to address the contamination from the tank farms. The Mission Valley tank farm is above ground storage tanks in the northeast corner of the parking lot extending up I-15 – 10.5 acres. They are owned by Kinder-Morgan who owns the pipeline that brings fuel down to San Diego. The tank farm has been in existence since 1962.

In the 1990s, we became aware of contamination from leaks from the tanks. When there is leakage, it is less dense than water so it floats and also seeps down into the soil. Once it reaches the groundwater, it can dissolve into the groundwater and move with it. It can also come up through the soil. Responsible parties are on a strict time line to clean up.

There have been investigations since the 1990s. The responsible parties are on a strict timeline to do health risk assessments and understand what is involved with the clean-up.

The extent of the gas floating on top is limited to the northeast corner of the lot. In the late 1990s when parties tested for MTBE, found that it is more soluble in water than other traditional gas contaminants. It has spread downstream, toward the river. MTBE is an additive we use in our gas to make gas pollute less. The gas is water soluble so in an attempt to decrease the air pollution, we've increased the water pollution.

The purpose of the presentation is to let the Task Force know that any development in this area would need to take into consideration what is done at the tank farm. Things done to remediate are done in a closed system. The remediation system is a closed system and any construction that goes into the groundwater would open up the system and would need to be coordinated.

## Q&A

Clay – Facilities & Redevelopment didn't hear from Mr. Wilson, but did hear from others. An upgraded sound system would help with the noise issue at the stadium? *The new system is called direct and distributed. Didn't use Qualcomm's system for the Super Bowl*

The Task Force has looked at plans for remodeling Qualcomm. Price tag was \$395m. Wilson - *had spoken to HOK a long time ago and it was very expensive then.*

Saathoff – deferred maintenance estimate – *need to have parking lot work done for wiring under, need to fix potholes and broken concrete, walkways, in the millions to fix it.*

Is there settling and are there safety concerns in terms of seismic issues? *There are 11-13 buildings making up the stadium and they are all separate. Thinks they are safe. The engineers have reviewed the subsidence and the different levels of settling – say it doesn't look good but isn't going to hurt anything.*

Cost of plumbing? *Wouldn't want to guess*

Clay – for MTDB, have you had a chance to look at the mixed use scenarios? *Mixed use, origins, destinations, people coming and going at different times. The capacity of the trolley will be there east and west. Need to look at the busing system. Want to look at special event bus capacity. Need to have places to bring in quite a few buses and have a way to load them.*

Coffey – question about the ground contamination. Chargers proposal includes a timeline with different pieces of the project coming on line at different times. Idea of how the clean-up will delay the timeline? *Haven't seen their proposal. By mid-2004 there should be a plan in place with specific timelines of when the clean-up will happen. It could happen simultaneously as long as they work in conjunction. If the regional water quality board is informed, everyone can work together.*

Watson - Is it possible to do a massive scale development and a 15-year remediation? *Regional Water Quality Control Board representative is aware of this type of thing happening. They can still do the groundwater extraction that they are doing now. Would have to re-install the extraction wells around whatever new construction goes on. The regional water board needs to be involved all the way through. Concern is that the groundwater gets cleaned up. Board would have a say. If something happened where the remediating stopped, the Board would go after the dischargers. Board would ultimately have the authority to make sure that the clean up happened.*

Considine – does the Stadium Authority operate at a plus or a minus? Will it be better if Padres are gone. *The stadium is operating at a minus now and it will be better when the Padres are gone, but it could be a minus still. Will cut the operating expenses way down.* Has Wilson looked at the Chargers proposal to see how the stadium will fare with their proposal? *no*

Fat – Asked Wilson what City was thinking of when the 97 renovation was happening? *Wilson - Asking the wrong person, he is in charge of the facility and can't answer that.*

#### Item 8: MV Planning Group

Cody Lofton – *see presentation on web*

Have evaluated the Chargers proposal in light of the community plan. Did not address the Chargers financial information as this is out of the planning group's purview.

Design as a walkable development should be further considered – Chargers indicate they have included this, but need to consider further

Park they prefer is not a passive park, which is what the Chargers have included.

Agree with the chair when he said that less might be more in the development of the Qualcomm site. Their presentation is not an endorsement or a non-endorsement. It is just their review of the proposal and identification of the issues they see as pertinent.

#### Q&A –

Henderson – appreciated presentation. Concerned that naturally they focus on the site from the point of view of the Mission Valley community. Who could we bring to the Task Force to focus on it from a regional perspective? Could envision a lot of the blacktop disappearing and a river park developing around. Some say we ought to view the stadium as a treasure. See that there is a shortage of acreage for the Mission Valley community, but what is the situation with parks overall? *Watson - Not really an appropriate question for these folks.*

Fat - If one of the goals is to make the development pay for itself, would they be against high density to make it work? *Community planning group would be concerned with the traffic impacts. Would have to look at the whole picture of development. Do believe in the clustered, high-density developments but would have to look at it. Would continue to work with Chargers group.*

#### Item 9: Serra Mesa Planning Group – see presentation

Also agrees less is more – the question is what is the right size/utilization?

#### Q&A –

Watson – these presentations are the best of what community planning groups can do for neighborhoods. Acting in this capacity is very helpful.

Patnoe – excellent presentations, thank you. Where do kids living in Mission Valley apartments now currently go to school? *Some do go in Serra Mesa. They either walk or their parents take them. Kids can go to Serra Mesa or Allied Gardens and some do walk up Mission Village. There is no school bus system for kids in general.*

Henderson – view as neutral, beneficial or negative the idea of another hotel or shopping center in Mission Valley, or office space? Housing good, but what about the other elements? *Haven't taken a position on any of those items. Respect the Mission Valley community plan.*

Clady – thanks to both groups. In regard to transportation, what happens on game day with no bus system going up/down Mission Village Drive? *There isn't a bus line right now. MTDB is supposed to be re-drawing the line to go to Fenton Marketplace, but that hasn't happened yet so can't even get to the trolley.*

#### Item 10: Committee Reports

F&R- This committee is composed of 10 members now. Chargers came to the Facilities & Redevelopment meeting to provide additional information on Tuesday. The Task Force had sent a letter requesting additional information and Mr. Watson had outlined six issues at the last meeting. Chargers provided another iteration of their plan which addressed some of the questions. The consultants are reviewing the information and it will be analyzed and presented to the Task Force next week.

Watson – the comment about a second task force was made in the context of the ongoing planning process that would take place if the City moves forward with it.

Finance – Tasked to evaluate the Chargers financial position, as reported before won't be able to complete this task because the Chargers have declined to provide the information. Barrett Sports Group will be providing information. The idea of making it a redevelopment area is highly unlikely based on talking with City staff, CCDC, and Keyser Marston. There are some challenges to the Chargers proposals and having no impact to the General Fund isn't showing itself to be feasible thus far, though more work is being done. County has been invited to present to the task force.

Henderson – do we have the financial model from the Chargers yet? *Not yet*

Watson – to address the question of why the City hasn't gone in to review the trigger info. His opinion is that TF is public officials, part of a public process, Chargers asking for public money and therefore the public has the right to see the info. The Padres made their information available. Doesn't care about proprietary or legal issues, the documents should be made available to the public.

On the 8<sup>th</sup>, is going to ask everyone what they want to do for the final report. Hoping that there is some sort of consensus. If the meeting goes well, the task force will finish by the end of February. The meetings of the 6<sup>th</sup> and the 8<sup>th</sup> are for sure, and the rest will depend on what happens at those meetings.



## **ADJOURNMENT**

The meeting was adjourned at 9:50.

**The next regularly scheduled meeting is:**

**Thursday, February 6, 2003**

**202 C Street, 12<sup>th</sup> floor, Council Chambers**

City of San Diego

Special Projects Administration

1010 Second Avenue, Suite 500, MS 658

San Diego, CA 92101

Submitted by,

Libby Coalson

Staff Representative